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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/955,397	09/18/2001	Jaime A. Siegel	SNY-R4757	1207
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EXAMINER WINTER, JOHN M				
ART UNIT		PAPER NUMBER		
3685				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/955,397

Applicant(s)

SIEGEL ET AL.

Examiner

JOHN M. WINTER

Art Unit

3685

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 April 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 106-121 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 106-121 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Acknowledgements

1. The Applicants amendment filed on April 20, 2009 is hereby acknowledged, Claims 106-121 remain pending .A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on April 20, 2009 has been entered.

Response to Arguments

2. Applicant's arguments with respect to the pending claims have been considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 106-121 are rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent (See also *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,

787-88 (1876)) and recent Federal Circuit decisions, a §101 process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. In addition, the tie to a particular apparatus, for example, cannot be mere extra-solution activity. See *In re Bilski*, 88 USPQ2d 1385 (Fed. Cir. 2008).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps.

To meet prong (1), the method step should positively recite the other statutory class (the thing or product) to which it is tied. This may be accomplished by having the claim positively recite the machine that accomplishes the method steps. Alternatively or to meet prong (2), the method step should positively recite identifying the material that is being changed to a different state or positively recite the subject matter that is being transformed.

In this particular case, claims 106, 116 and 121 fail prong (1) because the “tie” (e.g. transfer of A/V content) is representative of extra-solution activity. Additionally, the claim(s) fail prong (2) because the method steps do not transform the underlying subject matter to a different state or thing.

Claims 107-115, and 117-120 are either dependant upon claim 106 and 116 respectively and a rejected for at least the same reasons.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 119 and 120 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The claimed features of “programmed processor carrying out ...” and “an electronic commerce server” as claimed in claims 119 and 120 are not commensurate in scope with the “method of delivering digital content” as claimed in claim 116.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 106-121 are rejected under 35 U.S.C. 103(a) as being unpatentable over Garfinkle (US Patent 5,530,754 in view of Stefik (US Patent 5,715,403) and further in view of Bennington et al. (US Patent 6,373,528)
7. As per claim 106,

Garfinkle ('754) discloses a method of delivering digital content, comprising:
receiving a request from a customer for transfer of A/V content in digital form to the customer at a customer storage or playback device; receiving payment from the customer for the transfer of the A/V content in accordance with a first usage rule; transferring audio/video (A/V) content in digital form from a content provider to the customer in accordance with the first usage rule, the digital form of the A/V content comprising at least an audio portion and a video portion; (Column 3, lines 19-43; and Column 3 line 54 -- column 4 line 11; Figure 5)

receiving a request from the customer for acquisition of the additional usage rights beyond the first usage rights to the selected portions of the A/V content as a separate subsequent transaction; (Column 3, lines 19-43; and Column 3 line 54 -- column 4 line 11; Figure 5).

receiving payment from the customer for the separate subsequent transaction; and as a result of receiving payment for said separate subsequent transaction, enabling the customer to store the selected portion of the A/V content under said separate usage rights beyond the first usage rule acquired as a result of the separate subsequent transaction on the customer storage or playback device. (Figures 11 and 18).

Garfinkle ('754) does not explicitly disclose providing limited usage rights to the A/V content to the customer; presenting the A/V content to the customer; providing limited usage rights to the AN content to the customer; presenting the customer with an opportunity to complete a transaction to acquire additional, rights to a selected portion of the A/V content. Stefik ('403) discloses providing limited usage rights to the AN content

to the customer; presenting the customer with an opportunity to complete a transaction to acquire additional, rights to a selected portion of the A/V content (Figure 15). It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Garfinkle ('754) method with the Stefik ('403) method since the combination of these elements does not alter their respective functions, the combination would have yielded predictable results to one of ordinary skill in the art at the time of the invention.

Garfinkle ('754) does not explicitly disclose displaying a menu just before, after or during presentation of the selection of A/V content to the customer, the menu displaying selected portions of the A/V content for which additional usage rights beyond said limited usage rights under the first usage rule that are available, the selected portion comprising at least one of a soundtrack, a documentary segment, an interview, an audio segment, a video segment and a still image; Bennington et al. ('528) discloses displaying a menu just before, after or during presentation of the selection of A/V content to the customer, the menu displaying selected portions of the A/V content for which additional usage rights beyond said limited usage rights under the first usage rule that are available, the selected portion comprising at least one of a soundtrack, a documentary segment, an interview, an audio segment, a video segment and a still image; (Figure 23, -additional viewing time are additional rights associated with the video segment -- , Examiner notes that the composition of the selected portion is representative of non-functional descriptive information and it has been held such information will not distinguish a claimed device from the prior art (*In re Gulack*, 217 USPQ 401 (Fed. Cir. 1983), *In re*

Ngai, 70 USPQ2d (Fed. Cir. 2004), *In re Lowry*, 32 USPQ2d 1031 (Fed. Cir. 1994); MPEP 2106.01).). It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Garfinkle ('754) in view of Stefik with the Bennington et al. ('528) method in order to maximize the profit made by usage of digital content.

8. As per claim 107,

Garfinkle ('754) discloses the method according to claim 106,
Garfinkle ('754) discloses the claimed invention except for "second usage rule", It would have been obvious to one having ordinary skill in the art at the time the invention was made to use a second usage rule, since it has been held that mere duplication of the essential working parts of a device involves only routine skill in the art. *St Regis Paper Co. v. Bemis Co.*, 193 USPQ 8.

9. As per claim 108,

Garfinkle ('754) discloses the method according to claim 107,
where the separate subsequent transaction comprises one of: a purchase of unlimited rights to play the selected portion, a purchase of rights to play the selected portion for a designated period of time, and a purchase of rights to play the selected portion a designated number of times. (Column 3,

10. lines 19-43; and lines 54-63)

11. As per claim 109,

Garfinkle ('754) discloses the method according to claim 108,
where the A/V content further comprises a table of contents portion (TOC) that indexes
the selected portion.(Column 3, lines 54-62)

12. As per claim 110,

Garfinkle ('754) discloses the method according to claim 106,
Garfinkle ('754) does not explicitly disclose the presenting and enabling take place
within a designated period of time defined by the first usage rule. Stefik ('403) discloses
the presenting and enabling take place within a designated period of time defined by the
first usage rule (Figure 15). It would be obvious to one having ordinary skill in the art at
the time the invention was made to combine the Garfinkle ('754) method with the Stefik
('403) method since the combination of these elements does not alter their respective
functions, the combination would have yielded predictable results to one of ordinary skill
in the art at the time of the invention..

13. 113. (New) The method according to claim 106, where the storing comprises receiving a
key code from the content provider to permit storing the selected portion.

14. As per claim 111,

Garfinkle ('754) discloses the method according to claim 106,
where the A/V content comprises one of a motion picture, a television program, a
documentary and a music video. (Abstract)

15. As per claim 112,

Garfinkle ('754) discloses the method according to claim 106,
where the transferring comprises one of downloading the A/V content as one or more
digital files, streaming the A/V content, and transmitting the A/V content as a real time
transmission.
wherein the transferring comprises one of downloading the A/V content as one or more.
(Abstract, Figure 5)

16. As per claim 114,

Garfinkle ('754) discloses the method according to claim 106,
where the storing comprises receiving a download from the content provider.
(Abstract)

17. As per claim 115,

Garfinkle ('754) discloses the method according to claim 106,
carried out on an electronic commerce server.(Abstract)

18. Claims 116-121 are in parallel with the above rejected claims and are rejected for at least the same reason.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN M. WINTER whose telephone number is (571)272-6713. The examiner can normally be reached on M-F 8:30-6, 1st Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt can be reached on (571) 272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

JMW

/Calvin L Hewitt II/
Supervisory Patent Examiner, Art Unit 3685

